

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5**

IN THE MATTER OF)	
)	EPA-5-98-OH-15
Stone Container Corporation)	
500 North 4th Street)	
Coshocton, Ohio 43812)	
)	
)	
Proceeding Pursuant to Sections)	
113(a)(1) and 114(a) of the)	
Clean Air Act, 42 U.S.C.)	
§§7413(a)(1) and 7414(a).)	
_____)	

ADMINISTRATIVE ORDER

With the consent of Stone Container Corporation ("SCC"), this Administrative Order is issued pursuant to Sections 113(a)(1)(A) and 114(a)(1) of the Clean Air Act ("Act"), as amended, 42 U.S.C. §§ 7413(a)(1)(A) and 7414(a)(1).

STIPULATIONS

1. Section 110 of the Act, 42 U.S.C. §7410, requires each State to develop an implementation plan (the State Implementation Plan or "SIP") for attaining and maintaining the National Ambient Air Quality Standards ("NAAQS").
2. On June 19, 1978, the United States Environmental Protection Agency ("U.S. EPA") Administrator promulgated regulations establishing procedures for preventing significant deterioration of air quality ("PSD regulations"), at 40 C.F.R. § 52.51. The provisions of 40 C.F.R. § 52.51(b) through (w) have been incorporated into the Ohio SIP. 40 C.F.R. § 52.1884(b).
3. 40 C.F.R. § 52.21(I) prohibits construction of a major stationary source or major modification without a permit to construct, issued under the PSD regulations, in an area which has attained the NAAQS.
4. Any owner or operator who operates a source or modification in violation of any term of a permit to construct issued under the PSD regulations is subject to an enforcement action brought under the Act. 40 C.F.R. § 52.51(r).

5. Section 113(a)(1)(A) of the Act, 42 U.S.C. § 7413(a)(1)(A), in applicable part, authorizes the Administrator of the U.S. EPA ("Administrator") to issue an order requiring a person to comply with the requirements of a SIP whenever the Administrator, based on any information available to him, finds that such person has violated or is in violation of these requirements.
6. SCC owns and operates a combination wood and natural gas-fired boiler, Boiler No. 6, at its facility, located at 500 North Fourth Street, Coshocton, Ohio.
7. Boiler No. 6 is a major stationary source, as defined at 40 C.F.R. § 52.21(b)(1)(I)(a), which emits particulate matter.
8. On December 22, 1981, pursuant to authority under the PSD regulations, the Ohio Environmental Protection Agency ("OEPA") issued to SCC a permit to install Boiler No. 6 ("the Permit") at its Coshocton facility. On March 13, 1991, the Permit was amended to allow Boiler No. 6 to burn waste water treatment sludge and wastepaper rejects. On April 12, 1995, the Permit was further amended to change Boiler No. 6's particulate emission limitation.
9. On May 7, 1998, pursuant to authority under Section 113(a)(1)(A) of the Act, 42 U.S.C. § 7413 (a)(1)(A), the U.S. EPA Administrator, by delegated authority, issued against SCC a Notice of Violation. SCC was cited for violating the particulate emission limit of its Permit in its operation of Boiler No. 6, at its Coshocton facility.
10. Subsequent to the issuance of the Notice of Violation, a conference was conducted between U.S. EPA and SCC officials to discuss the violations cited and a potential resolution of the matter.
11. Following that conference, on June 19, 1998, SCC submitted a written proposal to U.S. EPA proposing to operate the No. 6 Boiler in accordance with a specified steam/production/natural gas firing curve, to implement certain upgrades to the scrubber controlling emissions from the Boiler, and to install natural gas firing controls and continuous recorders for monitoring the Boiler's steam flow rate and natural gas firing rate.
12. On September 18, 1998, U.S. EPA filed an administrative complaint with U.S. EPA's Regional Hearing Clerk (Docket No.

5-CAA-022-98), alleging that SCC was in violation of certain provisions of the Act (the "Administrative complaint") relative to operation of Boiler No. 6 at its Coshocton facility.

13. Any and all information required to be maintained or submitted pursuant to this Administrative Order is not subject to the Paperwork Reduction Act of 1980, 44 U.S.C. § 3501 et seq., because it seeks collection of information by U.S. EPA from a specific individual or entity to assure compliance with this administrative action.
14. SCC enters into this Administrative Order without any admission of fact, violation or liability.

U.S. EPA AND SCC SO STIPULATE. U.S. EPA AND SCC FURTHER STIPULATE THAT THE FOLLOWING PROVISIONS ARE REASONABLE, AND AGREE TO THE PROVISIONS AS ORDERED:

SPECIFIC PROVISIONS ORDERED

15. As of the effective date of this Administrative Order, SCC shall achieve, demonstrate, and maintain continuous compliance with the Permit's particulate emission limitation on Boiler No. 6 (0.080 lb./mmBTU).
16. In order to maintain continuous compliance with the Permit's particulate emission limitation on Boiler No. 6, SCC shall complete the following requirements prior to the effective date of this Administrative Order:
 - (a) SCC shall upgrade its scrubber by installing a vortex breaker and a new vertical flow mist eliminator;
 - (b) SCC shall install either new reduced volume water pumps, a water flow recycling setup and/or new flow control valving;
 - (c) SCC shall complete installation of natural gas firing controls and continuous recorders for monitoring the boiler steam flow rate and natural gas firing rate of boiler No. 6.
17. In order to maintain continuous compliance with the Permit's particulate emission limitation on Boiler No. 6, SCC shall implement and continuously follow a program for co-firing of

natural gas in increasing quantities as boiler load increases, in accordance with a steam production/natural gas firing curve developed by SCC, and attached hereto as part of this Administrative Order (Attachment A). Adherence to the steam production/natural gas firing curve shall be measured on a three-hour average basis.

18. For the purpose of assessing compliance with applicable particulate emission limitation requirements SCC shall conduct stack testing of Boiler No. 6, in accordance with the test protocol specified in Attachment B, attached hereto, as follows:
 - (a) The initial stack test shall be conducted within 30 days of the effective date of this Administrative Order.
 - (b) Thereafter, during the first twelve months of this Administrative Order, SCC shall conduct three additional stack tests on a quarterly basis, except that if any stack test measures a particulate emission rate equal to or less than 0.060 lb./MMBTU then testing frequency may be reduced to semi-annual. Any subsequent test results within the first 9 months greater than 0.060 lb/MMBTU shall require resumption of quarterly stack testing for the remainder of the first year.
 - (c) During the remainder of this Administrative Order SCC shall conduct semi-annual stack testing, except that if any stack test measures a particulate emission rate equal to or less than 0.060 lb/MMBTU then testing frequency may be reduced to annual. Any subsequent test results greater than 0.060 lb/MMBTU shall require resumption of semi-annual stack testing.
19. SCC shall submit a report within 15 days of the effective date of this Administrative Order confirming the dates of completion of each requirement of Paragraph 16, along with an explanation for any changes to or problems with SCC's timely completion of each such requirement.
20. SCC shall submit calendar quarterly reports within 30 days of the end of each calendar quarter, identifying any deviations from full compliance with the requirements of Paragraphs 17 and 18, including an explanation for any deviation that occurred, and a description of corrective action taken to prevent such reoccurrence.

21. Reports shall be submitted to:

George Czerniak, Chief
Air Enforcement and Compliance Assurance Branch
Mail Code (AE-17J)
United States Environmental Protection Agency
Region 5
77 West Jackson Boulevard
Chicago, Illinois 60604
Attn: David Schulz

With copies to:

Robert Hodanbosi, Chief
Division of Air Pollution Control
Ohio Environmental Protection Agency
1800 WaterMark Drive
P.O. Box 1049
Columbus, Ohio 43215-0149

- and

Ron Hancher
Ohio EPA, SEDO
2195 Front Street
Logan, Ohio 43138

22. Any notices or correspondence provided to SCC by U.S. EPA regarding this Order shall be submitted to:

General Manager
Stone Container Corporation
500 N. Fourth Street
Coshocton, Ohio 43212

GENERAL PROVISIONS ORDERED

23. The provisions of this Administrative Order shall apply to and be binding upon SCC and any successor(s) in interest. SCC shall provide all affected SCC personnel with notice of this order, and its requirements.
24. The provisions of this Administrative Order shall be transferable to any other party upon sale or other disposition of the facility. Upon such action, the provisions of this Order shall then apply to and be binding upon any new owner/operator, and any successor(s) in interest.

25. Pursuant to Section 114 of the Act, 42 U.S.C. § 7414, the Administrator or authorized representatives of U.S. EPA, shall at reasonable times have the right of entry into, upon and through the SCC plant for the purpose of carrying out any inspections, taking photographs, reviewing any records, observing tests, and conducting any tests which are deemed necessary to ensure that the purposes of this Administrative Order are effectuated. SCC retains the right to request confidential treatment of records pursuant to the provisions of 40 C.F.R. Part 2, subpart B.
26. Nothing in this Administrative Order shall be construed to restrict U.S. EPA's authority under Section 114 of the Act, 42 U.S.C. § 7414.
27. Nothing in this Administrative Order shall affect the responsibility of SCC to comply with all applicable Federal, State and local laws and regulations, including Section 303 of the Act, 42 U.S.C. § 7603.
28. Nothing in this Administrative Order shall be construed to prevent or limit U.S. EPA's right to collect penalties and pursue appropriate relief under Sections 113(b) and 113(d) of the Act, 42 U.S.C. §§ 7413(b) and 7413(d).
29. The Steam production/natural gas firing curve set forth in Attachment A may be modified for good cause shown and upon the mutual consent of SCC and U.S. EPA.
30. This Administrative Order may be modified to reflect an alternative means of compliance for Boiler No. 6 for good cause shown and upon the mutual consent of SCC and U.S. EPA.
31. This Administrative Order shall be effective on the date of signature by the Air and Radiation Division Director, and shall remain in effect for a period of three years from that date.

32. The administrative order entered between U.S. EPA and SCC, effective on February 29, 1996, Order No. EPA 5-96-113(a)-OH-2, and extended on April 8, 1997, shall terminate upon the effective date of this Administrative Order.

Feb. 18, 1999
Date

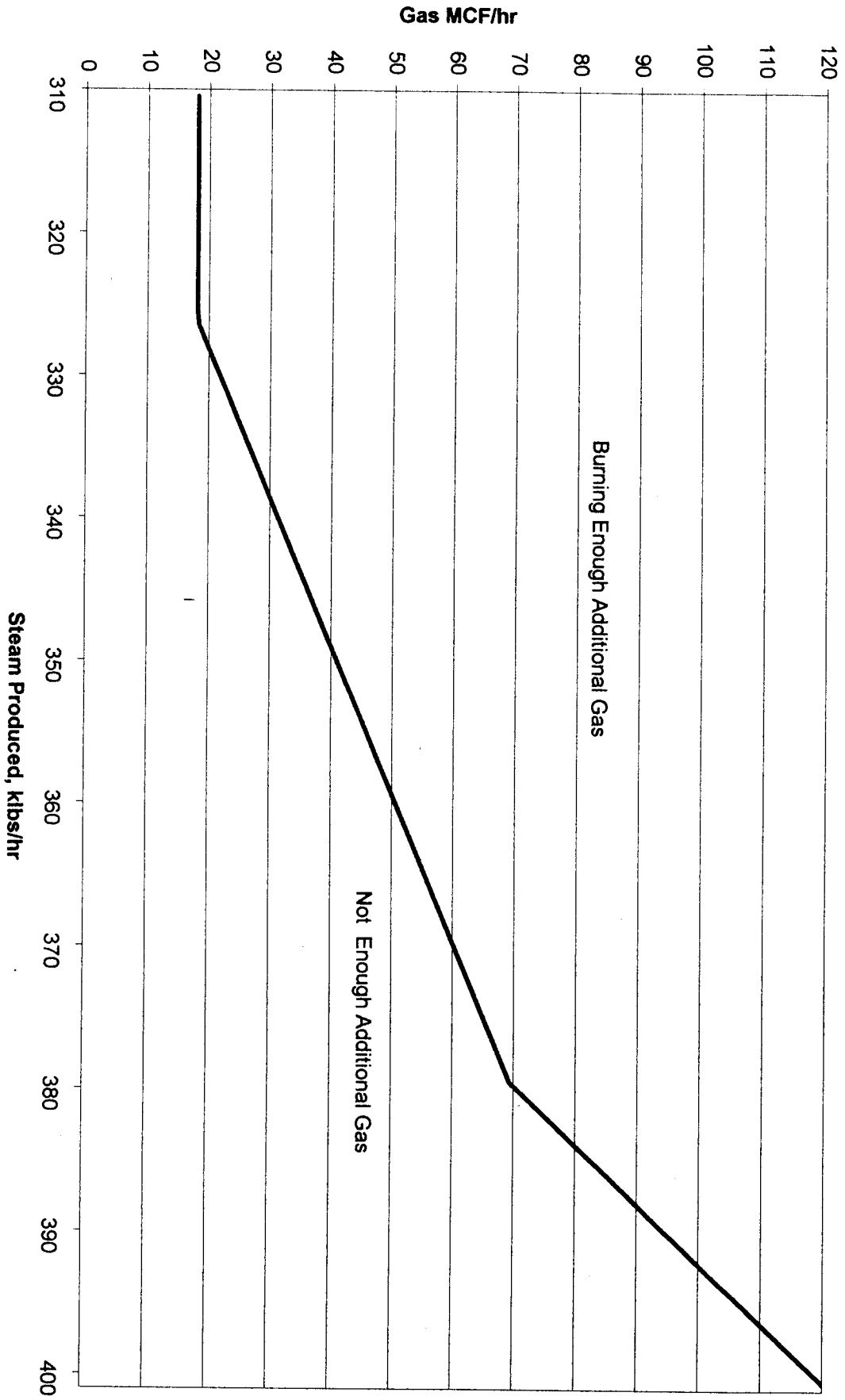
W.G. Stuart
W.G. Stuart, V.P. Operations
Stone Container Corporation

3-8-99
Date

Richard C. Karl
Richard C. Karl, Acting Director
Air and Radiation Division

Attachment A

Minimum Gas MCF/hr vs Steam Production



ATTACHMENT B

Re: Particulate Emission Test for Wood Waste-Fired Boiler No. 6

Stack Testing shall be performed in accordance with U.S. EPA Methods 1-5, 40 C.F.R. Part 60, Appendix A. The stack test protocol shall include:

1. One stack test for particulate on Boiler No. 6, consisting of three runs, during which the associated boiler is operating at a steam rate of at least 400,000 pounds steam/hour while co-firing the minimum quantity of natural gas indicated in Attachment A, unless additional natural gas co-firing is essential to achieve the 400,000 pounds steam/hour level. If such additional gas co-firing is necessary, SCC shall document the circumstances which caused the additional natural gas co-firing to become necessary, and provide a written report of the events documented to U.S. EPA.
2. The stack testing shall be performed on Boiler No.6 after a period of at least three (3) weeks of operating during which no boiler or associated air pollution control device cleaning or rehabilitation (other than normal maintenance) has occurred.
3. At least one run of the three test runs on Boiler No. 6 shall be performed during a period of representative soot blowing, which is consistent with the maximum frequency and duration normally experienced for the total testing period.
4. At least one run of the three test runs on Boiler No. 6 shall be performed during a period of representative ash pulling, which is consistent with the maximum frequency and duration normally experienced for the total testing period.
5. Boiler No. 6 shall be operated under "normal operating procedures" which shall be defined as conditions representative of how the Boiler typically operates when firing at a steam rate of 400,000 pounds steam/hour. Operating parameters shall be recorded, including at a minimum:
 - a. Heat input
 - b. Steam flow
 - c. Steam temperature
 - d. Steam pressure
 - e. Combustion air flow (lb/hr)
 - f. Soot blowing cycle
 - g. Ash pulling cycle
 - h. Feed rate of each fuel used (tons/hr wood;mcf/hr gas)
 - I. Percentage heat input from wood firing
 - j. Oxygen levels at boiler outlet

6. Control equipment for the Boiler No. 6 shall be operated under "normal operating conditions" which shall be defined as conditions representative of how the Boiler and control equipment typically operate when firing at a steam rate of 400,000 pounds steam/hour. Operating parameters shall be monitored and recorded, including at a minimum:
 - a. multiclone pressure drop
 - b. Scrubber pressure drop
 - c. Scrubber liquid flow rate
 - d. mist eliminator pressure drop
7. A fuel mix, representative of maximum particulate emissions potential (e.g., highest sludge and sawdust content) that SCC is allowed to burn under the permit, consistent with fuels on site at the time of testing shall be utilized. Fuel sampling and analysis shall be performed and submitted on an as-fired basis and in accordance with ASTM methods referenced at 40 C.F.R. § 60.17 or as approved by U.S. EPA and the Ohio EPA. Fuel analysis shall include at a minimum: % ash, % sulfur, moisture content, and heat content.
8. Any other emission test runs, conducted or attempted, throughout the duration of this order, shall be documented with results included therein.
9. Notification of particulate emission compliance testing, as required by this order, including the maximum load and fuel mix at which Boiler No. 6 will be tested, shall be sent to the U.S. EPA and the Ohio EPA at least 15 days prior to the test date. Personnel designated by these agencies shall be permitted to observe all testing, ask questions of testing personnel, and make whatever records of the testing such representatives deem necessary, including photographs.
10. Results of all testing performed while this Order is in effect shall be submitted in a bound report to U.S. EPA, and the Ohio EPA within 30 days after completion of the testing. SCC may be given up to an additional 15 days to submit such reports, with the prior approval of U.S. EPA and for good cause shown. The report shall contain the results of testing (including raw data sheets and all filter and beaker weights), the reporting of all applicable operating parameters identified in paragraphs 5 and 6, as well as information required in paragraphs 7 and 8 above. SCC may provide any writings to document its reasons for testing.